

Senator Pat Thibaudeau

43rd District 2003 Legislative Update



Keep in Touch!

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Dear Neighbor:

As I reflect on the 2003 legislative session, I still believe the best you can say about it is, well, it's over. Then I begin to think about next session, now only four months away, and I realize it's likely to be déjà vu all over again. Chances are we will be facing another shortfall in revenues, another deficit brought on by the continuing economic sluggishness and another season of rising health care costs.

That means some will be arguing that we need tax breaks for some industries to generate jobs, while others will be insisting that education, social services and health care must have additional resources.

If I may borrow from a national campaign slogan, I would ask, do we "care enough to give the very best" or are we unwilling to consider a tax increase?

I believe I know, in general, what 43rd District constituents think. We believe in good schools, good roads and in protecting the most vulnerable in our society. And we are willing to pay for those services. Next session, we will see if others around the state believe as we do or if the cynicism about government is so pervasive that we will see yet another round of cuts in services.

In a more positive vein, this session we did finally pass a bill that will begin the process of reforming prescription drug purchasing. The bill was a compromise, but included some basic concepts, such as the use of a preferred drug list developed by medical experts to help the state be a smarter purchaser of medicines. The new law also will preserve the ability of physicians to insist on their specific prescription, provide discounts to thousands of people 50 and older and the disabled, help low-income seniors get access to lower priced drugs through programs already available from drug manufacturers, and create educational, "Smart Rx" programs in some local communities.

Other noteworthy new laws direct the state to develop a plan to deal more effectively with the growing epidemic of Hepatitis C, give people with mental illnesses more say over their treatment, reduce the levels of mercury in our environment and allow students who are undocumented to pay the same college tuition as other state residents. So there were some good things we can point to, but I believe we can do better.

Again, I want you to know that I am grateful for the opportunity to represent this district and thank you for your support.

Sincerely,

Pat Thibaudeau
Senator, 43rd District

State Budget: No new general taxes, but painful cuts to many

The daunting challenge we faced when the Legislature convened in January was figuring out how to best balance a state budget saddled with a \$2.6 billion shortfall in revenues.

After taking what was admittedly a torturous route—featuring no less than two special sessions—the Legislature arrived at a solution. And given the magnitude of the deficit, we emerged from the nearly six-month session with some notable achievements, both in our operating budget, as well as the transportation and construction budgets, including:

- **A \$23.1 billion “no new general taxes” operating budget** that preserves health care for children from low-income families. But there was some bitter medicine—college will cost more, as will health care for low-income families and a day in the park.
- **A \$4.2 billion, 10-year transportation plan** funded by a 5-cent increase in the state gas tax that will reduce congestion and create as many as 3,000 new jobs during the next 12 months.
- **A 2.7 billion capital investment plan** that includes a six-year, \$750 million commitment to our colleges and universities to invest in the preservation and improvement of existing and new buildings on our campuses.

Transportation: Less congestion, more jobs



Finally, after years of false starts, the Legislature approved a plan to begin to address our state's transportation problems. We approved a 10-year transportation plan that will help relieve highway congestion and boost the state's flagging economy by creating jobs and improving mobility. The decade-long plan will be fueled by a \$4.2 billion revenue package that will generate 3,000 new construction jobs during the next 12 months and target investment to a specific list of transportation projects.

The bulk of the revenue will come from a 5-cent gas-tax increase, which will cost the average motorist about \$27 a year. Other revenue sources are a 15-percent increase in weight fees for commercial trucks and a 0.3



percent motor-vehicle sales tax. The new funds will be used in the following areas:

- **Highways:** \$3.4 billion will be invested in safety and congestion-relief improvements statewide. Most of those funds—about \$2.2 billion worth—will be targeted to projects in King, Pierce and Snohomish counties.
- **Public transportation:** \$236 million for programs and grants, including special-needs transportation, van pools and park-and-ride lots.
- **Ferries:** \$298 million will be used for terminal improvements, preservation work on the existing fleet, and a new auto ferry (in addition to three new auto ferries that were already slated to be built). Also noteworthy is that the Vashon Island passenger-only ferry will be funded, but not the passenger-only ferries to Bremerton. The foot ferry service to Bremerton will end Sept. 20 unless Kitsap voters approve a local funding plan in November.
- **Rail:** \$239 million will be invested in passenger- and freight-rail projects, including major improvements to the tracks between Bellingham and Vancouver, Wash.

Prescription drugs: Making medicines more affordable

Thousands of Washington residents who rely upon prescription drugs to maintain their health are having to dig deeper and deeper into their pockets to pay for these vital medicines.

Particularly hard hit by the rise in prescription drugs costs have been the uninsured.



This session the Legislature took steps to help these people by making prescriptions more affordable. We passed a bill (Senate Bill 6088) that:

- **Creates a discount program** for the disabled and people 50 or older who have incomes of less than 300 percent of poverty, which is \$36,000 for a family of two. These folks will be able to take advantage of the lower prices that state agencies will negotiate with drug companies.
- **Establishes a “pharmacy connection” program** that will give low-income people a “1-800” number to call to obtain no-cost or low-cost drugs by informing them about the various programs sponsored by drug companies.

- **Creates “Smart RX” educational programs.** Under this program operated by the Area Agencies on Aging, seniors can bring all their medicines to a local senior center and get free advice on whether they are taking the right medicines in the right doses and how to lower their drug costs.
- **Saves taxpayers’ money** by creating a purchasing consortium and preferred drug list that will enable state agencies to negotiate better prices with drug companies on behalf of the low-income people who participate in state health programs. This new law also allows physicians to override the preferred drug list by writing “**dispense as written**” on the prescriptions they write for state clients.

Other important health care issues:

Given the magnitude of the budget deficit and the rapid run up in health care costs, the 2003 session promised to be a rough one for state healthcare programs. And, as it turned out, draconian cuts to health care programs were very much on the table. That is why my focus from the outset was on trying to hold on to the progressive programs we have built over many years that make health care available to thousands of low-income families around the state. I am pleased to report that we were able to stave off the worst health care cuts, particularly those that would have hurt children. Nonetheless, some painful cuts were imposed on a health care system that is already fraying. Among the major health budget issues were:

- **Basic Health Plan (BHP):** Alive, but not as comprehensive. This program, which provides affordable health insurance to about 125,000 low-income adults, was the target of numerous proposed cuts. Gov. Gary Locke proposed eliminating coverage for 60,000 childless adults. But we were only able to limit the cuts, not stave them off entirely. As a result, no one now covered through the BHP will lose his or her coverage. Nonetheless, only 100,000 people—about 20,000 fewer than are now covered—will be able to participate in the BHP during the next two years.
- **Medicaid for children:** Coverage preserved, but premiums imposed. This program, which provides health services to about 600,000 children from low-income families, was also on the chopping block. Senate Republicans proposed eliminating Medicaid coverage for about 50,000 children. In the end, we thwarted the Republican plan. Consequently, no child will lose coverage. However, families of some children will have to pay monthly premiums ranging from \$15 to \$25 a month.

- **Prenatal care:** Saved for undocumented women. Every month, about 6,500 undocumented women receive prenatal services designed to help ensure that their children are born healthy. We were able to beat back a proposal that would have eliminated these critical services, which have been proven to both save money and improve the health of mothers and their children.

Boeing: Keeping good jobs in Washington

As the aerospace industry accounts for 200,000 jobs in our state, its future will have a significant bearing on the state’s economy. That is why the fate of the 7E7 Dreamliner—and whether it will be built



here—got so much attention in the final days of this year’s session. After all, what is at stake is not only the short-term gain of the hundreds of jobs that will be required to assemble the 7E7 Dreamliner, but the long-term health of the entire aerospace industry in Washington.

That is why the Legislature enacted a number of measures to encourage Boeing to assemble its next jetliner here, as well as other planes not yet on the drawing board. The state’s proposal includes:

- **A \$3.2 billion, 20-year tax incentive package** that would lower Boeing’s cost of doing business in Washington. The tax break is contingent upon Boeing locating the 7E7 in Washington.
- **Reforms to the state unemployment insurance system**, which will reduce all businesses’ costs by about \$200 million a year. The downside of the reform is that it will reduce the duration of benefits to 26 weeks from 30 weeks and cut the maximum weekly payment in a way that will hurt low-wage workers more than higher wage workers. However, even with the changes, Washington will still be providing benefits that are twice the national average and among the best in the nation.
- **Changes in the workers’ compensation system** that put a two-year limit on a worker’s ability to file a hearing loss claim.

Boeing is expected to make a final decision on the 7E7 assembly site by the end of the year.

Other issues:

- **Neah Bay rescue tug.** To help protect the waters of Puget Sound in the event of a potential oil spill, the Neah Bay rescue tug was funded. It will be stationed in the Strait of Juan de Fuca for the winter months through 2008.
- **Wine at farmers' markets.** A measure I sponsored to allow the 80 farmers' markets in our state to become licensed to sell wine passed the Legislature. Not only will this be good for customers, but it will also make our farmers' markets even more representative of the variety of goods grown in our local communities.
- **Mercury pollution.** A bill aimed at reducing the accumulation of mercury in the marine food chain became law.

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YOUR VOICE MATTERS!

Please take a moment to share your comments and concerns. Cut out and place in an envelope and mail to my office: PO Box 40443, Olympia, WA 98504-0443

Dear Pat,

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